



DALLAS CENTRAL APPRAISAL DISTRICT

Business Personal Property Division
PO Box 560367 * Dallas TX 75356-0367
(214) 631-7406 * www.dallascad.org

APPLICATION FOR EXEMPTION OF GOODS EXPORTED FROM TEXAS ("FREEPORT EXEMPTION") FOR 2023

Account No.: _____ Route: _____
 Owner: _____ Business Name: _____
 Mailing Address: _____ Business Location: _____
 _____ Consultant Code: _____

This application covers property you owned on January 1 of this year (or September 1 of the preceding year, if you receive a September 1 inventory appraisal). You must file the completed form between January 1 and April 30 of this year. Be sure to attach any additional documents requested.

This exemption applies to items in your inventory that (1) are or will be forwarded out of Texas within 175 days of the date you acquire them or bring them into Texas; (2) are in Texas for assembling, storing, manufacturing, repair, maintenance, processing, or fabricating purposes. The exemption does not apply to oil, natural gas, or liquids or gases that are immediate derivatives of refining oil or natural gas. The amount of the freeport exemption for this year is normally based on the percentage of your inventory made up by such goods last year.

You must apply for this exemption each year as it will not be automatically renewed.

STEP 1: Owner's name and address	Owner's name		
	Current mailing address (number and street)		
	City, State, Zip Code	Phone (area code and number)	Fax (area code and number)
	Name of person preparing this application	Title	Driver's License, Personal ID# or Social Security# *
	<p>If this application is for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number, that number may be provided here in lieu of a driver's license number, personal identification certificate number, or social security number. _____</p> <p><small>*Unless the applicant is a charitable organization with a federal tax identification number, the applicant's driver's license number, personal identification certificate number, or social security account number is required. Pursuant to Texas Property Tax Code Section 11.48(a), a driver's license number, personal identification certificate number, or social security account number provided in an application for an exemption filed with a chief appraiser is confidential and not open to public inspection. The information may not be disclosed to anyone other than an employee of the appraisal office who appraises property, except as authorized by Texas Property Tax Code Sec. 11.48(b).</small></p>		
STEP 2: Authorized agent's name	Authorized agent's name (if applicable)		License #
	Mailing address (number and street)		Email Address
	City, State, Zip code	Phone (area code and number)	Fax(area code and number)
STEP 3: Describe the property	Provide the account number, if available. Otherwise, attach tax bill or copy of tax office correspondence concerning this account.		
	Business location of inventory in Dallas County (street address, city, zip code)		
	Describe the types of items on this inventory. Attach additional sheets, if necessary.		
STEP 4: Answer the following questions about the property	<p>For the purposes of this application, "inventory" means your inventory of finished goods, raw materials, and work in process.</p> <p>1. Will you transport portions of this inventory out of state this year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>2. Have you applied for appraisal of your inventory on September 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		

(over)

STEP 4:
(continued)

3. Did you engage in transporting portions of your inventory out of this state throughout last year?..... Yes No
- If no, state the months during which you engaged in transporting portions of your inventory out of state last year. _____
4. State the 2022 year-end total cost of goods sold specific to this business location in Dallas County for which the exemption will be applied. Do not include cost of goods sold for locations outside of Dallas County.
- \$ _____
5. State the total cost of goods sold that were shipped out of Texas from this business location in Dallas County within 175 days of the date you acquired them or brought them into Texas last year, less the cost of any goods, raw materials, or supplies incorporated into them that were not eligible for the freeport exemption or were in Texas more than 175 days.
- \$ _____
6. Percentage of last year's inventory value represented by freeport goods (divide 5 by 4). _____ %
7. Check all of the types of records on which you base the amounts given above?
- | | |
|---|---|
| <input type="checkbox"/> Audited financial statements | <input type="checkbox"/> Sales records |
| <input type="checkbox"/> Internal reports | <input type="checkbox"/> Bills of lading |
| <input type="checkbox"/> Texas franchise tax reports | <input type="checkbox"/> Other (describe) |
8. Will the percentage of goods you transport out of Texas this year be significantly different than the percentage you transported out last year?..... Yes No
- If yes, why? _____
9. What was the cost of your inventory at this business location in Dallas County on January 1 of this year (or September 1 of last year, if applicable)?
- \$ _____
10. What is the cost of the inventory you claim will be exempt this year (multiply 9 by 6)?
- \$ _____

STEP 5:
Sign the application

Note: The Chief Appraiser may require you to provide records to support the statements in this application. If so, you must supply the records within 30 days of the date of the written request. If you do not comply, you may be subject to a late penalty or forfeit the right to receive the exemption for this year.

I certify that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Authorized Signature	Title/Agent No., if applicable	Date	

Printed Name	Phone No.	Fax No.	Email Address

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

Note: The rendition extension does not apply to the Freeport Exemption application.



Dallas Central
Appraisal District

FREEPORT EXEMPTION APPLICATION INFORMATION

Enclosed is the current tax year's Freeport Exemption Application. Under Section 11.43 of the Texas Property Tax Code, a person must file an exemption application form between January 1 and **April 30** and furnish the information required by the form **each** year the person claims entitlement to the exemption.

This exemption applies to items in your inventory that (1) are or will be forwarded out of Texas within 175 days of the date you acquire them or bring them into Texas; (2) are in Texas for assembling, storing, manufacturing, repair, maintenance, processing, or fabricating purposes. The exemption does not apply to oil, natural gas, or liquids or gases that are immediate derivatives of refining oil or natural gas.

To avoid delays in processing the application, please include copies of all original records used to complete the application. This includes: financial statements (year ending income statements, balance sheets, and trial balance sheets for the previous calendar year); inventory controls; any other internally prepared reports denoting the source of the information. Summarizations will be accepted **only with original supporting documentation**. All reports should pertain to **this business location in Dallas County** only. Below is a list of the requested information:

1. Total Cost of Goods Sold or transported during the preceding calendar year (as shown on the year ending income statement).
2. Total Cost of Goods Sold or transported out of Texas during the preceding calendar year (summarized by state and/or country).
3. Monthly ending inventory value at cost for each calendar month of the preceding calendar year (Monthly Inventory Control Report).
4. Inventory value at cost on January 1 of this year (or September 1 of last year, if applicable).
5. Year ending income statement and balance sheet.

The enclosed affidavit should accompany all documents and **must be signed by an owner or officer of the company**.

The exemption application will not be approved if the property owner fails to submit the required information. If the required information is not received in a timely manner, the property owner may be subject to a late penalty or forfeit the right to claim or receive the exemption for this year. Your cooperation in providing these documents with the exemption application will help expedite the application process.

Note: The rendition extension does not apply to the Freeport Exemption application.

Should you have any questions, please contact Schantell Dearing, Special Assessments Supervisor, at (214) 631-7406.

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DALLAS CENTRAL APPRAISAL DISTRICT

Freeport Exemption Documentation Affidavit

I certify pursuant to the provisions of Section 37.01 and Section 37.10 of the Texas Penal Code that the following document(s), consisting of _____ pages and described as _____, are a complete, true and accurate reflection of the official books and records of this company as of this _____ day of _____, _____.

Date

Signature

Account Number

Type or Print Name

Title

Company Name

SUBSCRIBED AND SWORN before me on this _____ day of _____, _____

Notary Public

Type or Print Name

My commission expires _____
Date



DALLAS CENTRAL APPRAISAL DISTRICT

Freeport Exemption Worksheet

DBA _____

Account Number _____

Important Information:

1. All data furnished from accounting records must be for the preceding calendar year.
2. Items 1a, 1b, 2 & 4 must be proven by copies of accounting records.
3. Items 1a, 2, 3, 4 & 5 must be entered on the application.
4. Please attach a copy of this worksheet to your documentation.

1. Inventory Turns Calculation:

1a. Annual Cost Of Goods Sold (cannot be sales) during preceding calendar year for this business location in Dallas County: _____ (A)

1b. Enter month ending Inventory for each calendar month (omit cents) for this business location in Dallas County:

Jan _____ Apr _____ Jul _____ Oct _____

Feb _____ May _____ Aug _____ Nov _____

Mar _____ Jun _____ Sep _____ Dec _____

1c. Sum of January through December month ending Inventories: = _____ (C)

1d. Average Annual Inventory Calculation:

_____ (C) divided by 12 months = _____ (D)

1e. Inventory Turns:

_____ (A) divided by _____ (D) = _____ (E)

365 days divided by _____ (E) = (F) days

Note: Item (F) must be within 175 days to qualify for the Freeport Exemption.

2. Enter total Cost of Goods Sold (cannot be sales) shipped out of Texas from this business location in Dallas County: _____ (2)

3. Freeport Percentage Calculation: _____ (2) divided by _____ (A) = _____ (3)

4. Enter January 1 Inventory Cost (or September 1 of last year, if applicable) for this business location in Dallas County: _____ (4)

5. Freeport Inventory Calculation: Exempt Inventory _____ (4) multiplied by _____ (3) = (5)